

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
GALVESTON DIVISION

DALLAS GAS PARTNERS, LP	§	
	§	
VS.	§	CIVIL ACTION NO. G-04-669
	§	
PROSPECT ENERGY CORPORATION	§	

OPINION AND ORDER

Before the Court is a Report and Recommendation from the United States Magistrate Judge dated March 28, 2007, which recommends that the Motion for Partial Summary Judgment of Defendant, Prospect Energy Corporation (Prospect) be granted and that the two pending Motions for Summary Judgment of Plaintiff, Dallas Gas Partners, LP (DGP) be denied. DGP has filed objections to the Report and Recommendation and Prospect has, in turn, filed a response in opposition to those objections.


After *de novo* review pursuant to 28 U.S.C. § 636(b)(1)(C), this Court finds that the Report and Recommendation of the Magistrate Judge is a well reasoned and correct application of appropriate law to the facts and to the contractual language of the LLC Agreement forming the basis of Prospects counterclaim. This Court further finds that the objections of DGP are wholly without merit.

The Report and Recommendation is, therefore, **ADOPTED** by this Court in its entirety and incorporated by reference herein.

For the foregoing reasons, it is the **ORDER** of this Court that “Prospect Energy Corporation’s Motion for Partial Summary Judgment on its Counterclaim” (Instrument no. 86) is **GRANTED**; that “Plaintiff’s and the Third-Party Defendants’ Motion for Summary Judgment

on Prospect's Counterclaim and Third-Party Claims Based on this Court's February 16, 2006 Order" (Instrument no. 94) is **DENIED**; and that "Plaintiff's and the Third-Party Defendants' Motion for Partial Summary Judgment on Prospect's Counterclaim and Third-Party Claims for Breach of Contract" (Instrument no. 93) is **DENIED**.

DONE at Galveston, Texas, this 16th day of May, 2007.



Samuel B. Kent
United States District Judge